

Introduced by Senator Price

August 16, 2010

Senate Resolution No. 47—Relative to small business jobs and credit.

1 WHEREAS, One of the primary purposes of the proposed
2 federal Small Business Jobs and Credit Act of 2010 (H.R. 5297)
3 is to establish a Small Business Lending Fund Program that
4 provides incentives for smaller banks to make new loans, establish
5 a State Small Business Credit Initiative that would spur over \$20
6 billion in new lending through innovative state-based programs,
7 and eliminate capital gains taxes on owners of small business stock,
8 a step that will spur investment, innovation, and job creation for
9 small businesses; and

10 WHEREAS, The United States Senate Committee on Small
11 Business and Entrepreneurship’s Internet Web site states that
12 “America’s 27 million small businesses are the nations’s engine
13 of growth, pumping almost a trillion dollars into the economy each
14 year, creating two-thirds of all new jobs annually and making up
15 more than half the U.S. workforce”; and

16 WHEREAS, That small businesses create most of the jobs in
17 the economy and, over the past decade and a half, America’s small
18 businesses have created 65 percent of all new jobs in the country.
19 More than half of all Americans working in the private sector are
20 either employed by a small business or own one. These companies
21 are the engine of job growth in America. They fuel our prosperity
22 and should be at the forefront of our recovery; and

23 WHEREAS, We must continue our efforts on a bipartisan basis
24 to help these firms stay in business and focus on the urgent tasks
25 of growing our economy and creating jobs; and

1 WHEREAS, All industries in California, including the financial
2 industry, believe that increasing current small business loan
3 amounts to \$5 million, coupled with making lower-cost capital
4 available to community lenders, would stimulate the California
5 economy as long as the applicants meet the financial requirements.
6 As in any business, the best customers are the existing customers,
7 and, in this case, those customers are those that have been servicing
8 their loans but who are limited in their growth due to the current
9 Small Business Administration loan limits; and

10 WHEREAS, While some financial institutions are holding onto
11 their lending capital, the financial industry generally likes the Small
12 Business Administration program and many financial institutions
13 would like to lend more of their capital through the program
14 because of the federal guarantees that are not normally available
15 to non-Small Business Administration applicants. Therefore, the
16 Senate supports the continued efforts of the United States
17 Department of the Treasury to work with the Small Business
18 Administration to provide additional support to smaller community
19 lenders that are committed to increasing their lending to small
20 businesses; and

21 WHEREAS, Because the financial impact to our California
22 economy and to the United States economy of the enactment of
23 the proposed federal Small Business Jobs and Credit Act of 2010
24 would be great, there would be a very large return on a small Small
25 Business Administration investment; now, therefore, be it

26 *Resolved by the Senate of the State of California,* That the Senate
27 urges the United States Congress to expedite the process of passing
28 the Small Business Jobs and Credit Act of 2010 (H.R. 5297) due
29 to the present state of the economy and need for a good economic
30 stimulus, and urges President Barack Obama to sign H.R. 5297 at
31 the earliest possible date; and be it further

32 *Resolved,* That the Secretary of the Senate transmit copies of
33 this resolution to the President and Vice President of the United
34 States, to the Speaker of the House of Representatives, to the
35 Minority Leaders of the House of Representatives, to the majority
36 and minority leaders in the Senate, to each Senator or
37 Representative that is either an author or coauthor of the Small
38 Business Jobs and Credit Act of 2010, and to each Senator and

- 1 Representative from California in the Congress of the United
- 2 States.

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